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PRIORITY

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FOREIGN SERVICE DESPATCH

Action Assigned to

DEPARTMENT OF STATE A/CDC/MB 1959

FROM : American Embassy, TAIPEI

TO : THE DEPARTMENT OF STATE, WASHINGTON

REF : Taipei's Despatch 724 of 1959, "Clarification" of President Chiang's Third-Term Intentions at Central Committee Plenum

16 For Dept.	ACTION FE-4	DEPT. IN	RM/R-2	IR-58	5/P-1	Symbol	1-1	W/O-1	I-0-4
Use Only	REC'D 8/7	OTHER *	CIA-10	W 57A-10	85D-4	CCB-1	Army	Navy	

SUBJECT: Third Term: Kuomintang Not to Use Legislative Initiative Procedure; United States Attitude.

The reference despatch reported the information that a high-level subcommittee (or "small group") had been formed by the Kuomintang to investigate the possibility of utilizing the legislative initiative procedure to amend the Temporary Provisions appended to the Constitution in 1948 in such a way as to overcome the Constitutional prohibition against a presidential third term. The existence of a subcommittee to consider ways and means of constitutionalizing a third term, and specifically the legislative initiative procedure, was confirmed independently by a variety of sources. However, as the date for the termination of the extended session of the Legislative Yuan (August) approaches without any steps being taken by the Kuomintang leadership to line up sponsors in the Legislative Yuan for the necessary resolution, it is becoming more and more likely that the legislative initiative procedure will not, after all, be used.

"Opposition" legislator [redacted] the source of the information in the reference despatch, called on the reporting officer July 22 to report that the Kuomintang has decided against the use of the legislative initiative.

[redacted]

About the middle of July, [redacted] saw [redacted] again and informed him that the sub-committee had decided against the use of the legislative initiative procedure for three reasons: 1) the National Assemblymen, jealous of their prerogatives, did not want to make the tacit admission that they no longer had the power to amend the Temporary Provisions; if the Provisions were to be amended, the Assemblymen wanted to do the job themselves; 2) in the legally required six-month interim between the passage of the legislative resolution and the convening of the National Assembly, those critical of a third term would have a field day--the resolution would give the "opposition" a concrete target to shoot at; and, 3) the Kuomintang could not be certain that the Legislative Yuan would pass the required resolution, in any case.

DLOsborn/njp
REPORTER

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EXCISE

793.1178-359

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[REDACTED] said that the decision to let the National Assembly handle the problem of constitutionalizing a third term was evidently a firm one. Presidential Adviser T'AO K'ai-sheng, originally an advocate of the legislative initiative procedure, [REDACTED] says, had made his July 3 statement in support of National Assembly action to permit a third term (Enclosure 1) only after this decision had been taken. 301 (d)

However, according to [REDACTED] the Kuomintang third-term subcommittee was by no means unanimous in its support of National Assembly action to permit a third term. Hsieh K'uan-sheng had expressed serious reservations about the legality of such action, even if--as will probably be necessary--the Council of Grand Justices is persuaded to issue an interpretation of the Constitution endorsing the amendment powers of the National Assembly. 301 (d)

While on the topic of the presidential third term, [REDACTED] took the occasion to pass on some current gossip relating to the United States attitude toward a third term. Shortly before Madame CHIANG left the United States to return to Taiwan (so the rumor goes) she inquired of Ambassador YEH and (according to one source) Chief Chinese Delegate to the United Nations Dr. TSIANG Ting-fu what the United States attitude was with regard to the third term issue. Ambassador Yeh (and Dr. Tsiang) are supposed to have replied that the attitude of the Department of State, at least, appeared to be unfavorable to a third term. 301 (d)

When the reporting officer expressed his conviction that the Department of State would never depart in the slightest from its correct neutrality in regard to a purely domestic issue of this sort, [REDACTED] said that it was possible Yeh and Tsiang might have been mistaken or might have been misled by their own wishful thinking (Ambassador Yeh, according to [REDACTED] is a supporter of Ch'en Ch'eng, and Dr. Tsiang is in the same liberal, anti-third term camp as Dr. HU Shih). However, [REDACTED] insisted that the report itself was not without foundation. He had heard it from ex-Ambassador Hollington TONG, who was present at Madame Chiang's farewell interview with Ambassador Yeh, and from Legislator WANG Hsin-heng (3769/2450/5899), Russian-trained intimate of CHIANG Ching-kuo. Wang presumably heard his version from the President's son. 301 (d)

COMMENT: The reporting officer has not yet had a chance to discuss the third-term question with Ambassador Tong, but would consider it most surprising if Ambassador Yeh made the statement attributed to him. Although [REDACTED] statements have usually proven to have a kernel of fact, in this instance he may have been deliberately exaggerating in order to test the reporting officer's reaction. [REDACTED] like others in the "opposition" here, is most anxious for some sign of official United States sympathy for the "opposition" stand 301 (d)

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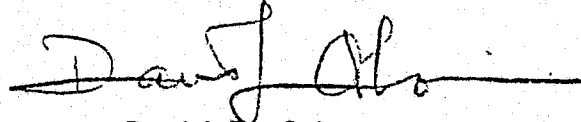
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on such issues as the third term. Needless to say, the reporting officer's reaction did not provide [redacted] the comfort he probably-- was seeking. 301(2)

For the Ambassador:



David L. Osborn
Counselor of Embassy

Enclosure: *att*

Five copies of Article
by T'AO Hsi-sheng, Press
and Publications Summary,
July 6, 1959.

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8-3-59

I. News Items

1. T'AO HSI-SHENG'S VIEWS ON PROPOSAL FOR CONSTITUTIONAL REVISION

(Central Daily News, Taipei, 4 July 1959).

Renowned political commentator T'AO Hsi-sheng (7128/1585/5110), member of the KMT Central Standing Committee, gave a press conference yesterday expounding his views on the proposal for a constitutional revision and a third term for President CHIANG. The following are the salient points made by T'AO:

1) Article 174 of the Constitution provides clear stipulations on the procedures for amending the Constitution. It indicates beyond doubt that revision of the Constitution is permitted if and when certain prescriptions of the Constitution fail to cope with actual needs. During the past ten years, President CHIANG has, repeatedly made his attitude clear, favoring "non-revision of the Constitution". At the Second Plenary Session of the Eighth KMT Central Committee held earlier in May this year, a resolution was reached, re-asserting the attitude advocated by the President. Every member of this Party should follow this direction strictly and support the President's decision on "non-revision of the Constitution".

2) The National Assembly delegates have held a series of meetings to study the suggestion of revising the "Temporary Provisions Effective During the Period of National Crisis" to permit the re-election of President CHIANG to the presidency for a third term. An amendment to the "Temporary Provisions" is not a revision of the Constitution itself. The National Assembly has the right and authority to make such a move during its Third General Assembly scheduled to be held in 1960. The KMT Central Standing Committee has not made any discussion on this problem, and therefore, has not made any decision on this issue. Nor have the National Assembly delegates of KMT membership made any resolution in this regard.

3) According to Item 2 of Article 174 of the Constitution, the Legislative Yuan has the right to propose an amendment to the Constitution and submit it to the National Assembly for referendum. By the same reasoning, the Legislative Yuan also has the right to propose an amendment to the "Temporary Provisions" and submit it to the National Assembly for referendum. Undoubtedly, there are in existence at present certain problems over the procedures for the Legislative Yuan to exercise this right or function. But these disputes can all be easily solved by considering the stipulations embodied in the existing Constitution. So far, the legislators of KMT membership have not yet held any "policy-making" meeting to discuss this matter. It is believed that they will not take any action in this respect.

4) According to the information I have on hand, the opinions voiced by the members of the Democratic Socialist Party and the Young China Party on the issue in question are not representative of the views of their respective Party Headquarters. Like KMT, the DSP and YCP have not yet made any resolution in this regard. Some of my friends, who are YCP members, told me that TSO Shun-sheng's (1563/5293/3932) views are not representative of their opinions.

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5) I am therefore of the opinion that an effective decision on the issue of "constitutional revision and a third term for President CHIANG" can only be made by the National Assembly in February next year at its General Assembly with the authority and functions vested in it by the Constitution. KMT Director-General CHIANG is to officially announce his attitude only to the National Assembly next year. The Director-General is under no obligation to announce his attitude to any organ before then, in accordance with the Constitution.

6) In a resolution adopted at the Second Plenary Session of the Eighth KMT Central Committee, it was agreed that to lead the nation to accomplish the national restoration task is an "unavoidable" responsibility of President CHIANG. But it is not necessary for him to offer his leadership in a certain specific style. And it is the Authority of the National Assembly to decide on the presidential choice at the forthcoming presidential election to be held next February. Until now, the KMT has not made any decision on the presidential issue, nor is this Party obligated to make any resolution before the opening of the National Assembly's Third General Assembly.

7) Various circles, especially the overseas Chinese Communities, have been advancing their respective opinions on this issue. These opinions, which reflect the wish of the entire population of this nation, will be helpful to the National Assembly in making a final decision. In the meantime, we must, however, be aware of the fact that the issue of the greatest importance before us is not the problem of "constitutional revision and a third term for President CHIANG", but the question of how to score a victory in the second phase of the Taiwan Strait War - a victory greater than the one achieved in the Chirmen Battle last year.

2. YCP PRESIDENT'S STATEMENT ON TSO SHUN-SHENG'S VIEWS (Central Daily News, Taipei, 5 July 1959)

After consulting a majority of the members of the Young China Party's Standing Committee, YCP President CH'EN Ch'i-t'ien (7115/0796/1131) made the following statement on the opinions advanced by TSO Shun-sheng (1563/5293/3932) in his article "There Is Not Much Time Left for Saving the Republic of China" (See Special Article No. 1, PMS-59-483, 30 June 1959) which is carried in the "United Review" magazine published in Hongkong.

"Mr. TSO Shun-sheng is a member of the five-man Presidium of this party. Reputed for his democratic anti-Communist determination, he has published many articles in Hongkong in recent years, all of which were based on a patriotic and firm anti-Communist stand. In these articles TSO advanced a variety of opinions for the reference of our countrymen.

"This party advocates all along the principle of freedom of speech, or, in other words, freedom for everyone to publicize his opinions and criticism on national affairs. That is the usual practice popularly recognized and adopted in democratic nations.

"As to whether Mr. TSO's recent proposal is appropriate or not, criticisms naturally can be made on his opinions. But criticisms should be made with a

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